Company Unionizing The Traction Workers

(By ARNE SWABECK)

By one of the most overwhelming votes in recent labor history the twenty thousand Chicago traction employees, last summer, recorded their determination to enforce by strike a demand for increased wages and. improved. working conditions.

The total net result of this splendid militancy in the final arbitration award, as now rendered after months of dillatory delay, is a miserable compromise. Not only that, but due to the betrayal of the fighting spirit of the men and the protection of the interest of the employers by the officials the union finds itself in a position of being little better than a company union. It is under the practical domination and control of the traction companies as exercised through union officials.

Today wages are still 5 cents per hour lower than in 1921. The speed up system has increased through speed table and efficiency contests. The seven day week prevails.

HIGHER STRATEGY FOR LOW WAGES

This is perhaps one of the most glaring features of the so called "higher strategy of labor", as promulgated by the trade union officialdom, and exhibited here in its worst form. The rank and file workers were militant and ready to act. They did not like the arbitration of 1922 which cut wages ten cents an hour. They do not like the results of the present arbitration. The union officials, particuarly those of the street carmen's division are constantly pleading the cause of the corporations. The latter reciprocate by discharging and blacklisting the best spokesmen of the workers. Sluggings and jailings are part of these joint efforts.

Last June, at the expiration of the old agreement, the union presented its new demands including a wage increase of fifteen cents per hour, a weekly sick benefit of $20.00 and a life insurance policy of $1,000 per man at the cost of the companies. The vote authorizing the officials to call a strike to enforce the demands showed a total vote cast of 12,119 by the street carmen's division, of which 11,951 were in favor of the strike and only 162 against. The elevated employees' division voted similarly, overwhelmingly for the strike.

AGAINST THE OFFICIALS

With such backing the officials could make history, but failed. Moreover, during recent years, the only advantage gained by the men has been in spite of the officials and under the leadership of progressives who stood up to make the fight and won, only, however, to be themselves subsequently sacrificed, discharged and blacklisted.

In 1921 the street carmen's division, thru the militant fight of one of the members by the name of Dreckman won the eight hour day, time and one half for overtime, and a fifteen cents an hour wage increase. The men at the union meeting rushed the stage to convince the officials that they meant business. The repair men, thru the militant fight of Frank Carlson, at that time also won the equal hourly rate with the carmen. A little later both Dreckman and Carlson were discharged from the service.

GOOD STRIKE, POOR SETTLEMENT

In 1922 the companies demanded a wage cut. All traction employees struck solidly for six days. Not a car moved. The dispute was then submitted to arbitration, resulting in a wage cut of ten cents an hour. Frank L. Smith, senator elect from Illinois with official labor endorsements, (the same Smith who has just been barred from the Senate for corrupt practices) was instrumental in helping make the case for the companies.

In 1923 the men again gained a five cents an hour increase bringing their wages up to 75 cents an hour: the present rate. Extras, for rush hour service, receive at the most 69 cents an hour. History again repeated itself. This increase was won through the aggressive fight made particularly by two members, McCormick and McKiernan. Both were later slugged and expelled from the union.

STEALING A FRANCHISE

The companies were very eager not to see any wage demands through until they could first secure a new grant or permit of use of the city streets. The last twenty year franchise expired in the early part of 1927. Hence all this delay in which the union officials collaborated. The companies are now operating on a short term permit while seeking legislation for complete control of the streets. The city council traction committee has framed a number of bills for enabling legislation which if finally adopted will put the whole traction system under the complete control of the Insull corporation, the superpower and traction trust of the Middle West, which owns both state and city governments.

Firstly, these bills provide for a forty year franchise. (permit) Secondly, this franchise is to be terminable by the companies any time, but by the city only in case it can designate a purchaser of the system at a price set by the companies. Thirdly, these bills provide for consolidation of all transport utilities, which are to remain in private ownership and control, thus creating a powerful monopoly—a gigantic, unscrupulous force opposing the union.

THE UNEARNED INCREMENT

The Chicago surface lines carry a present capital account of $165,500,000. On the theory of "reproduction new less depreciation," the companies are seeking an increased valuation amounting to $220,000,000, for which a renewal of the franchise is essential.

The capitalization of the elevated lines is $105,000,000. Based on the increased valuation sought for the surface lines, the total capital account of both systems would be $325,000,000. On this capitalization the companies will demand and be granted from the State Commerce Commission, with Frank L. Smith as chairman, as well as by the courts, an annual net income of 7½%. In other words, there are prospects of increased fares and millions in annual profits for the companies. In this situation the demand by the progressives for municipal ownership with workers' participation in the management has become a vital one.

All these questions were in many ways bound up with the recent wage dispute. The men, several times, became impatient at the long delay. Thousands of members turned out to some of the union meetings of the street carmen's division, urged to attend by the progressives, but at the meeting in August the Progressive leaders, Frank Carlson, Paul Mater, and Michael Sennot were denied admission to the hall with the statement that they had been expelled from the union that same morning—without a trial. Simultaneously they were also discharged from the service, including Carlson who had been reinstated after his first discharge.

RANK AND FILE PRESSURE

Progressive activities in behalf of the men continued nevertheless. Rank and file pressure increased and as the arbitration proceedings made no headway whatever, the officials were compelled to move. On December 5, the joint executive board of both the street railway and elevated divisions asked the international headquarters for strike sanction. International President Mahon arrived in the city. Several conferences ensued, with no other results but the selection of two new arbiters, Alderman Oscar Nelson for the union and Guy Richardson manager of the surface lines, to represent the companies. These two have handed down an award granting the sick benefit and life insurance demands and—a one cent hourly wage increase to begin June 1st, 1928. An additional one cent per hour beginning June 1st, 1929. The agreement to run for two years.

Oscar Nelson is a lawyer carrying a union card; deeply involved in the city administration politics dominated by the Insull traction interest and committed to its program. The traction employees could expect nothing in the way of protection of their interests from such arbitration; and nothing is the actual result.

The sick benefit feature and individual life insurance policy at the cost of the company has already for some time been enjoyed by the elevated employees. This the companies were willing to grant also to the street carmen without any pressure. Thus the net gain for the rank and file by their overwhelming strike vote and their militant readiness for fight is a miserable one cent increase to begin June 1st.

What is more important is that this comes at a time of a general offensive by the employers and the government upon the unions, at a time when the coal miners and other unions are fighting for their very existence and when the whole movement is in a deep-going crisis. It is one more example of a trade union being converted into a company union due to the bankrupt policy of the officials.

The progressive traction workers correctly pointed out that "arbitration is a trap." They urged the rank and file membership to "compel the officials to fight for their full demands or get out of office." The progressive slogan is now more weighty than ever: *"Fight the companies! Watch your leaders!"*